

1. THE DIRECTORATE OF NATIONAL INTELLIGENCE (DINA) HAS
INFORMED PRESIDENT AUGUSTO P I N O C H E T THAT FORMER
PRESIDENT EDUARDO F R E I AND THE CHRISTIAN DEMOCRATIC
PARTY (PDC) HAVE FORMED A PARALLEL GOVERNMENT APPARATUS. WHICH
IS BEING SUBTLY USED TO UNDERHINE THE GOVERNMENT'S PROGRAMS.
PARTICULARLY IN THE ECONOMIC SECTOR.

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APPROVED FOR RELEASE DATE: JUN 1 1 1999

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2. TO COUNTER THE PDC EFFORT, THE GOVERNMENT PLANS TO

FIRE 48 TO 58 PDC HEMBERS IN CURRENT KEY POSITIONS IN THE

GOVERNMENT AND REPLACE THEM HITH ADMITTEDLY LESS COMPETENT, BUT

COMPLETELY LOYAL CIVILIANS. COMMENTS:

HITH RECENT ACTIVITIES OF THE PDC, AND IN PARTICULAR FREI'S

EFFORT TO TAKE ADVANTAGE OF THE FORTHCOMING VISIT OF SECRETARY

OF STATE HENRY K I S S I N G E R FOR HIS OWN POLITICAL GAINS,

THAT PINOCHET HAS ORDERED THE IMPLEMENTATION OF A PROGRAM TO

REMOVE PDC LEADERS FROM HIGH LEVEL POSITIONS IN THE GOVERNMENT.

IN THIS CONTEXT, THREE INTIMATE

PRIENDS OF FREI WERE FORCED TO RESIGN IN THE PAST WEEK OR SO, NAMELY ANDRES & A L D I V A R. COORDINATOR OF THE NATIONAL SAVINGS AND LOAN SYSTEM; JUAN V I L L A R & U, DIRECTOR OF THE BUDGET; AND ALFONSO U R R E J O L A, MAYOR OF CONCEPCION. ADMITTEDLY, THERE WERE OTHER REASONS WHY THE GOVERNMENT WAS UNHAPPY WITH THEM, BUT THE DECISION TO REMOVE THEM AT THIS TIME WAS PURELY POLITICAL.

S E A E T

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SECLET

(dissem controls)



3. PINOCHET IS ALSO VERY IRRITATED WITH THE RECENT

ACTIVITIES OF CARDINAL RAUL S I L V A. IN ADDITION TO SILVA'S

EFFORTS TO ARRANGE A PRIVATE MEETING WITH SECRETARY KISSINGER

DURING THE FORTHCOMING VISIT, PINOCHET HAS BECOME AWARE THAT

CATHOLIC PRIESTS, WITH THE KNOWLEDGE OF THE CARDINAL, ARE

HIDING AND PROTECTING ANDRES P A S.C. A L. ALLENDE, HEAD OF

THE MOVEMENT OF THE REVOLUTIONARY LEFT (HIR). DINA HAS INFORMED

PINOCHET THAT ABOUT THO HEEKS AGO, PASCAL HAS BEING HIDDEN IN

A REST HOME RUN BY PRIESTS, AND THAT HE HAS BEEN MOVED FROM

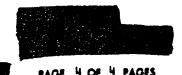
PLACE TO PLACE WITH THE ASSISTANCE OF PRIESTS. IN ORDER TO

AVOID A CONFRONTATION WITH THE CHURCH, DINA WILL NOT MCVE AGAINST

PASCAL WHILE HE IS ON CHURCH PROPERTY; HOWEVER, EVERY EFFORT

WILL BE MADE TO CAPTURE HIM AT SOME POINT WHEN HE IS IN TRANSIT.

COMMENTS



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(dissem controls)

RELEASE OF HIS OWN NIECE, MARIANA M A R S H A L L SILVA, WHO UNTIL THE TIME OF HER ARREST WAS ACTIVELY INVOLVED IN FUNDING AND COMMUNCATIONS FOR THE MIR AND IN HARBORING MIR LEADERS IN HER MOME.

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